

## Something's Rotten in Hondo Teaching Notes

### *What Are the Relevant Facts?*

1. George has a family.
2. George is a manager of a small plant.
3. George's plant smokestack emissions were consistently above EPA guidelines.
4. George was informed by his boss that the EPA would levy fines pertaining to the emissions problem.
5. George's boss stated that no money was available and that other plants in worse condition were able to pass the emissions standards.
6. George found out that the other plants were scheduling their heavy emissions work at night when the EPA officials were not around.
7. George's boss provided two options: eliminate the fines by correcting the problem with no additional money or relocate the plant in Mexico.
8. The relocation of the plant would devastate the town of Hondo and would continue to contaminate the air on the U.S. side.
9. Mary, George's wife, stated that she did not want George to be responsible for the loss of jobs in their town

### *What Are the Ethical Issues?*

1. Whether or not to mislead the EPA as to the true level of emissions from the plant
2. Whether or not to capitalize on a neighboring country's less stringent laws
3. Whether or not to destroy an entire community's infrastructure

### *Who Are the Primary Stakeholders?*

- George
- George's family
- Townspeople of Hondo
- EPA
- People affected by the pollution of the plant
- The Mexican town

### *What Are the Possible Alternatives?*

1. George could follow the same approach as do the other plants in his company.

2. George could relocate to Mexico.
3. George could look for another job.
4. George could discuss this problem with someone in upper management.

### *What Are the Ethics of the Alternatives?*

- Ask questions based on a "utilitarian" perspective (costs and benefits). For example:
  1. Which possible alternative provides the greatest net benefit to the greatest number?
  2. How would costs be measured in this situation (employment levels in Hondo, emissions levels, plant profits, etc.)?
  3. Do the benefits of moving the plant to Mexico outweigh the costs of loss of jobs or continued high emissions?
- Ask questions based on a "rights" perspective. For example:
  1. What rights does each stakeholder have in this situation?
  2. Which alternative(s) would not respect your rights if you were a plant worker? A citizen of Hondo? A stockholder in Ardnak Plastics Inc.? George?
- Ask questions based on a "justice" perspective (benefits and burdens). For example:
  1. Which alternative distributes the benefits and burdens most fairly among the stakeholders?
  2. Which stakeholders carry the greatest burden if the plant moves to Mexico? If heavy emissions occur at night?
  3. Is it fair for manufacturing plants to find expedient ways to avoid reducing levels of pollution? Why or why not?

### *What Are the Practical Constraints?*

1. It is unlikely that George has discretion to seek a costly solution.

### *What Actions Should Be Taken?*

2. What action steps should George take?
3. What alternative would you choose if you were George? Why?